

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA
CRIMINAL NO. 08-283 (DWF/SRN)

UNITED STATES OF AMERICA,) **SUPERSEDING INDICTMENT**
)
Plaintiff,) (26 U.S.C. § 7201)
)
v.)
)
STEVEN MARK RENNER,)
)
Defendant.)

THE UNITED STATES GRAND JURY CHARGES:

COUNTS 1 through 4
(Tax Evasion)

1. From 2001 through 2006, defendant STEVEN MARK RENNER owned and operated Cash Cards International, an Internet-based stored-value card and money transmission business with locations originally in Minnesota, and later in South Dakota and Hawaii. Defendant RENNER was required by federal law to include Cash Cards International's tax return information on Schedule C of his personal federal income tax returns.

2. Defendant RENNER diverted substantial funds from Cash Cards International during calendar years 2002, 2003, 2004 and 2005. Defendant RENNER used those funds to pay his personal living expenses, as well as to make personal investments in coins, oil wells, art, stamps, and vintage musical instruments. Furthermore, defendant RENNER used Cash Cards International funds to promote his musical band, "Stevie Renner and the Renegades." The funds that defendant RENNER diverted from Cash Cards International constituted

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JAN 14 2009

U.S. DISTRICT COURT MPLS

FILED JAN 13 2009
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income under the federal tax laws.

3. From in or about April 2002 through March 2006, defendant RENNER retained the services of an accountant to respond to investigations and inquiries of Cash Cards International by state and federal government agencies, including the Minnesota Department of Commerce and the United States Securities and Exchange Commission. The accountant repeatedly advised defendant RENNER that he could not classify his use of business funds to pay for personal expenses as deductible business expenses. The accountant also repeatedly advised defendant RENNER that he was required to timely file tax returns with the Internal Revenue Service. Contrary to this advice, defendant RENNER did not timely file his 2002, 2003, and 2004 tax returns.

4. From 2002 through early 2006, defendant RENNER repeatedly provided false information to his accountant that misrepresented, among other things, that numerous expenditures of business funds were legitimate business expenses, when in truth and in fact, defendant RENNER had spent the funds for personal expenses and investments. In early 2006, the accountant used this information to prepare tax returns for 2002, 2003, 2004, and 2005, which returns substantially understated defendant RENNER's income and the tax due and owing for each year. On about March 5, 2006, shortly after federal law enforcement special agents searched defendant

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RENNER's residence and Cash Cards International's offices, defendant RENNER filed these false personal federal income tax returns with the Internal Revenue Service.

5. From in about 2002 to in about March 2006, in the State and District of Minnesota, the defendant,

STEVEN MARK RENNER,

a resident of Minneapolis, Minnesota, did willfully attempt to evade and defeat a large part of the income tax due and owing by him to the United States of America for the calendar years as set forth below, by engaging in the affirmative actions set forth in paragraphs 2 through 4 above.

Count	Filing Date (Tax Year)	Unreported Taxable Income (at least)	Tax Due and Owing (at least)
1	March 5, 2006 (2002)	\$346,845.49	\$97,456.00
2	March 5, 2006 (2003)	\$244,098.90	\$56,570.00
3	March 5, 2006 (2004)	\$375,824.30	\$99,169.00
4	March 5, 2006 (2005)	\$518,792.85	\$78,967.00

6. All in violation of Title 26, United States Code, Section 7201.

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A TRUE BILL

UNITED STATES ATTORNEY

FOREPERSON